



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	SB0283	Title:	Revise laws related to constituent expenses for legislators
Primary Sponsor:	Brenden, John	Status:	As Amended in House Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$162,000	\$108,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>(\$162,000)</u>	<u>(\$108,000)</u>

Description of fiscal impact: SB 283, as amended, provides that legislators are allowed reimbursement for constituent services not reimbursed by a constituent services account provided for in 13-37-402, MCA. It is estimated that the additional total general fund cost for the Legislative Branch is \$270,000 for the 2019 biennium over the existing legislator information technology allowance.

FISCAL ANALYSIS

Assumptions:

Legislative Branch

- Section 1 of SB 283, as amended, provides that legislators are allowed to claim up to \$3,000 in a biennium for unreimbursed expenses related to a legislator's travel expenses incurred for providing constituent, as well as communication and information technology expenses, as defined in section 1, subsection 1, of this bill.
- There currently exists in HB 1, as passed by the 64th legislature, funds for 120 legislators to receive up to \$1,500 for expenses incurred related to information technology. The total funds for this information technology allowance is \$180,000. The total anticipated cost of SB 283, as amended, is \$450,000, resulting in an increased cost of \$270,000.
- Section 3 of SB 283, as amended, provides an effective date of July 1, 2017. Funds for legislator constituent services reimbursement would be established during the 2019 biennium. It is assumed that legislators would incur expenses and request reimbursement during the interim period of the 2019 biennium.

It is estimated that the interim period of a biennium is a total of 20 months. Costs are broken out by fiscal year as follows: July 1, 2017 through June 30, 2018= 12 months or 60% of the biennium; July 1, 2018 through December 31, 2018 and May 1, 2019 through June 30, 2019= 8 months or 40% of the biennium.

Commissioner of Political Practices

4. SB 283, as amended, allows legislators to apply for reimbursement of these expenses through the Legislative Services Division. As amended, there is no cost to the Commissioner of Political Practices.

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Operating Expenses	\$0	\$0	\$162,000	\$108,000
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$162,000</u>	<u>\$108,000</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$162,000	\$108,000
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$162,000</u>	<u>\$108,000</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	(\$162,000)	(\$108,000)

Technical Notes:

1. SB 283, as amended, does not specify whether funds should be provided for in HB 1 or HB 2. The Legislative Council, as the administrative authority of the Legislative Services Division, would need to make a determination of whether funds should be requested in HB 1 or HB 2 for the 2019 biennium, as well as whether this constituent services reimbursement would replace the current legislator information technology allowance.

Sponsor's Initials

Date

Budget Director's Initials

Date